



QUICK GUIDE

COMMERCIAL

OR NON-COMMERCIAL
ACTIVITY?



AARHUS UNIVERSITY





A GOOD PLACE TO START

*Are you about to start a new **externally financed project** at AU? In this quick guide, you can find information about what you need to be aware of in the application phase and when drawing up contracts.*

This quick guide is intended to help you and your department (Aarhus BSS, ST, HE)/ school (Arts) avoid costly financial surprises during the project, and to help ensure that AU complies with the applicable external rules.



COMMERCIAL VS. NON-COMMERCIAL

All contracts concerning externally financed projects which AU enters into must be set up as separate projects.

Based on the contents of the application and the contract, the projects are categorised as either commercial or non-commercial activities.

It is important to know whether your project is a commercial or a non-commercial activity, as this determines which rules apply in connection with:

- Rights to research data
- Compensation claims
- Calculation of overhead*
- Co-financing possibilities
- VAT liability

*A calculated contribution to cover the average indirect costs of a specific project, e.g. rent, operation of buildings and administration.



WHAT'S THE DIFFERENCE?

	COMMERCIAL ACTIVITY	NON-COMMERCIAL ACTIVITY
Project type	A client buys certain services from the university and provides all the required financing.	The funder and AU jointly agree on the project scope and process.
Rights	The client may gain ownership of project rights/results, and publication may be prohibited for a considerable length of time, or confidentiality concerning results may be a requirement. In addition, there may be provisions concerning liability to pay compensation in connection with delays, errors etc, and insurance against product liability may be a requirement.	AU owns the rights to AU's own results and research data including the right to publish. However, it is possible to make an agreement on transfer of rights.
Project finances	The client pays AU for services on market terms.	The parties involved provide the resources required to complete the project.
Examples	Course activities, consultancy services, sale of data and commissioned research for which the rights are transferred to the client.	Development projects, sponsorships, accommodation, contributions to cover travel expenses and external funding for research projects for which all rights belong to AU.



ARE YOU IN **DOUBT?**

The unit Projects, which is part of Financial Control in AU Finance and Estates Project Development, can help you determine whether your project application relates to a commercial or non-commercial activity.

In addition, Projects will forward the application/contract to Accounts for VAT assessment.

Contact Projects by sending an email to **projektenheden@au.dk**.

Corporate Relations and Technology Transfer in AU Research Support and External Relations can help you, if you have a contract already and are uncertain whether it covers a commercial or non-commercial activity.

Contact Corporate Relations and Technology Transfer by sending an email to **tto@au.dk**.



AU STANDARD CONTRACTS

At www.tto.au.dk, you can find a number of standard contracts (in English) for externally financed projects.

These standard contracts are so-called fast track agreements. It is possible to enter into these agreements without contract negotiations if the other party accepts AU's general terms and conditions for commercial and non-commercial activities.

If you or your external partner have special requests in regard to the contents of the contract, please contact Corporate Relations and Technology Transfer, AU Research Support and External Relations by writing an email to tto@au.dk.



POINTS REQUIRING SPECIAL ATTENTION

- Remember that your application must always be approved by your head of department (Aarhus BSS, ST, HE)/head of school (Arts)/centre director. In connection with applications to EU framework programmes and contracts, the Research Support Office must approve the application and sign the contract negotiation documents, contracts and various forms – www.au.dk/fse/kontakt.
 - Remember that projects which involve a quid pro quo or transfer of rights are subject to VAT as a general rule.
 - Remember that costs for projects which are categorised as commercial activities must be fully covered. This means that an overhead* of 113% of the project's payroll costs must be calculated.
 - Remember that written approval from the client/funder is required in order to change the agreed project period.
- * A calculated contribution to cover the average indirect costs of a specific project e.g. rent, operation of buildings and administration.

QUESTIONS?

- Questions about commercial and non-commercial activities:

Please send an email to projektenheden@au.dk

- Questions about VAT:
Please send an email to debitorhotline@au.dk

Concerning non-commercial activities:

- Questions about collaboration agreements:
Please send an email to tto@au.dk
- Questions about research projects incl. EU projects:
Find contact information for the Research Support Office here www.au.dk/fse/kontakt